

Senate Bill 703 would exempt a domestic risk retention group from the requirement of having an office in Maryland; however, if its home office is not in the State, it must keep its entire assets in the State and must make records available in the State within two business days after a request from the Insurance Commissioner.

House Bill 1307, which was passed by the General Assembly and signed by me on May 26, 1994, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 703.

Sincerely,
William Donald Schaefer
Governor

Senate Bill No. 703

AN ACT concerning

Risk Retention Groups – Location of Office, Assets, and Records

FOR the purpose of exempting certain risk retention groups from the requirement of having an office in the State; requiring certain risk retention groups to keep certain assets in the State; allowing certain risk retention groups to keep certain accounting records outside the State if the records are made available to the Commissioner ~~in a certain manner~~ within a certain period of time after a request is made; and generally relating to the location of the office, assets, and accounting records of risk retention groups.

BY repealing and reenacting, with amendments,

Article 48A – Insurance Code

Section 51

Annotated Code of Maryland

(1991 Replacement Volume and 1993 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article 48A – Insurance Code

51.

(1) The Commissioner shall not grant or continue authority to engage in the insurance business in this State of any insurer when contrary to public interest or when the principal management personnel of which is found by him to be untrustworthy or not of good character, or so lacking in insurance company managerial experience as to make the proposed operation hazardous to the insurance-buying public or to its stockholders; or which he has good reason to believe is affiliated directly or indirectly through ownership, control, management, reinsurance transactions or other insurance or business relations, with any person or persons whose business operations, to the detriment of insureds, stockholders, or creditors are or have been marked by manipulation of assets, accounts, or reinsurance or by bad faith.